

Audit's[®] MARKET ANALYSIS OF REITS AND REAL ESTATE COMPANIES

Realty Stock Review

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Market Strategy: Staying Out of Trouble in Today's Market

Today's volatile markets demand that you exercise continuing and close attention to your investments. Gone are the halcyon boom years of the 1980s, when investors could set their investments on auto pilot.

Last week's collapse of the investment house of Drexel Burnham Lambert and the junk bond market it sired ushered in a new era of even closer monitoring and caution. Reason: much of the high-leverage excesses of the 1980s will most surely be unwound in the 1990s. Happily, most of those excesses abound in the industrial and financial sectors—including mortgage bankers, syndicators and S&Ls — but aren't widespread among REITs.

A month ago we made some major structural changes in REALTY STOCK REVIEW to help you in this close monitoring. We suggest that you follow REVIEW issues carefully in the months ahead because we will be monitoring recommended stocks closely and advising portfolio changes based upon continued market volatility and interest rate unrest.

We are starting with this issue to include specific advices when a stock bought, or recommended, declines significantly from the selling price. The minute you buy a stock, we think it is also important to fix in your mind what action you will take if the price declines by a pre-determined amount. Two actions are possible:

1. Buy more stock at the lower price. This strategy assumes that the price decline reflects purely market fluctuations and that company fundamentals are unchanged. In effect you will be averaging down your cost per share and increasing dividend yield if the dividend remains the same or rises. The negative is that your portfolio may underperform broader stock market averages for an unknown period of time.

2. Sell when shares reach some pre-determined peril point. This strategy assumes that your capital is to be preserved at all costs and that taking small losses, even if done frequently, will keep you from stumbling into major long-term losses. The rationale is that a sharp price decline generally means that a stock's fundamentals have deteriorated — even if reasons for that deterioration aren't immediately clear. If this approach is followed with discipline, the market itself will tell you when you should hold large amounts of cash — when you should effectively be out of the market. The negative is that you may be induced into selling sound stocks on relatively minor and short-lived market swings, and incur higher commission costs.

When a stock declines, it's not always possible to determine immediately which course of action to follow (unless of course you want to automatically follow one of the above strategies). But we also think that the uncertain market we foresee for 1990 means you should exercise discipline in deciding what to do if and when a stock declines sharply.

To aid you, we are suggesting in Portfolio Planner that you consider taking one of two actions — selling or buying more shares — when a stock declines 10% below our recommended purchase price. The old stock market axiom is that the first loss is the best loss. The 10% range is, we believe, large enough to allow for normal market fluctuations. When a recommended stock declines by 10%, we will advise whether it should be sold or supported.

To alert you to these changed conditions, we are including check-points in our Portfolio Planner stocks on page 2. For dollar-cost averagers, we will be making a buy or sell decision at these check points. If however your risk-aversion taste runs to no-questions-asked selling, you may take these points as stop-loss points.

Stop losses are orders placed with your broker to sell a security if and when it reaches a pre-determined price. A variation is to set a mental stop loss in your mind and place a sell order when the stock declines to that point; essentially you reserve the right to evaluate reasons for a decline and

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Portfolio Planner of Stocks For Investment Goals

Portfolio Planner is designed as a Model Portfolio for long positions (first five sections below); a list of stocks to avoid or sell; and a group of less timely but still useful stocks (group below the heavy rule). Key elements of Selector are:

1. Current Pricing Limit and Stop Loss Points for Each Stock. We suggest initial, or limit, purchase prices plus check or sell prices in the two right hand columns.

We would follow these when placing buy/sell orders with brokers. Our check point prices change monthly with the market.

2. Percentage Price Changes. We show percentage price changes for recommended stocks in the latest month, and since the stocks were added to Portfolio Planner.

3. Stocks Grouped for Investment

Goals. Long positions are grouped into five major categories reflecting major investment goals. The first four groups are tailored for mainstream, risk-averse investing. The fifth group, Aggressive Recovery, contains stocks whose yield and recovery are speculative and riskier.

4. Location and Region. Selector lists major property types and regions so you can balance holdings.

Stock (Month recom.)	Entry Price	--Property Type	Detail-- Reg.	--%Chng. From-- Last mo. recom.	Check Points Buy to / Sell At	Stock (Month recom.)	Entry Price	--Property Type	Detail-- Reg.	--%Chng. From-- Last mo. recom.	Check Points Buy to / Sell At	
INCOME AND ASSET VALUE GROWTH						MGI Props. (1/90) 12.38 AP/OF US (12.1) (12.1) 13.00 11.13						
Seasoned Equity REITs and Income Property Owners						Nationwide Hlth.(1/90) 14.88 MD US (0.8) (0.8) 15.00 13.38						
Bradley RE (1/90)	9.88	SC	NM	+10.1	+10.1 10.50 8.88	Prop.Tr.Am (1/90)	9.25	SC/AP	SW	+1.4	+1.4 10.00 8.38	
Burnham Pacif.(1/90)	19.00	SC/OF	CA	(3.3)	(3.3) 20.00 17.13	Webb (Del) Cp. (1/90)	9.25	HG	SW	+5.4	+5.4 9.00 8.38	
Chicago Dock (1/90)	20.00	LD	IL	0.0	0.0 22.00 18.00	GROUP				(1.6)%	(1.6)%	
Dial REIT (1/90)	16.25	SC	MW	(3.1)	(3.1) 17.50 14.63	All Stocks Except Recovery Group					0.0%	0.0%
EOK Green Ac.(1/90)	11.88	SC	NY	+4.2	+4.2 12.50 10.75	S&P 500					(1.4)%	(1.4)%
Equit.RE Sh.LP (1/90)	7.63	SC	MW	0.0	0.0 8.50 6.88	AVOID/SELL Stocks which may be vulnerable to price/dividend declines						
Federal Rl.(1/90)	20.75	SC	NE	(2.4)	(2.4) 22.50 18.63	BRT Realty (1/90)	12.25	MG	NY	(15.3)	(15.3) 13.50 11.00	
IRT Prop.(1/90)	12.38	SC	SE	+1.0	+1.0 14.00 11.13	Cenvill Inv. (1/90)	9.50	MG	FL	+3.9	+3.9 10.00 8.50	
Intl.Income (1/90)	13.63	SC	US	+23.9	+23.9 14.00 12.25	Genl. Dev.(1/90)	8.38	LD/HG	FL	(26.9)	(26.9) 10.00 7.50	
New Plan Rlty(1/90)	17.00	SC	NE	(0.7)	(0.7) 17.00 15.25	Hotel Inv.(1/90)	5.63	HT	US	(15.6)	(15.6) 7.00 5.13	
Penn. REIT (1/90)	26.25	SC/AP	NE	(2.4)	(2.4) 26.50 23.63	Landmark Land(1/90)	9.63	LD	W	(10.4)	(10.4) 10.00 8.63	
Santa Anita(1/90)	28.50	SC/RA	CA	(2.6)	(2.6) 30.00 25.63	Pres. Rlty. B(1/90)	6.00	AP	NY	(6.3)	(6.3) 8.00 5.38	
Shopco Lau.LP(1/90)	8.63	SC	MD	+4.3	+4.3 9.00 7.75	TOTAL AVOID/SELL		(11.7%) (11.7)%				
Utd.Dom.(1/90)	17.13	APT	SE	(5.1)	(5.1) 18.00 15.38	LESS TIMELY STOCKS/STABLE INCOME & SLOWER ASSET VALUE GROWTH						
Wash. REIT(1/90)	17.63	OF/AP	DC	(1.4)	(1.4) 18.50 15.88	Income Property Owners/Equity and Mortgage REITs						
Weingarten Rl(1/90)	31.00	SC	TX	(1.6)	(1.6) 31.00 27.88	BRE Properties(1/90)	27.88	AP/SC	NW	(0.9)	(0.9) 29.00 25.13	
West. Inv.RE(1/90)	17.88	SC	CA	+0.7	+0.7 19.00 16.13	Cousins Props.(1/90)	15.75	LD/OF	GA	(4.0)	(4.0) 16.00 14.13	
GROUP				+0.2%	+0.2%	Eastgroup Prop.(1/90)	20.25	OF/IN	US	+0.6	+0.6 21.00 18.25	
ABOVE AVERAGE INCOME, LOWER GROWTH & INTEREST RISKS						Fed. Nat. Mtg.(1/90)	33.25	MG	US	+3.0	+3.0 36.00 29.88	
Fixed & Participating Mortgage REITs, Medical Leaseback REITs						HRE Props.(1/90)	19.50	SC/OF	US	+1.3	+1.3 20.00 17.50	
Amer. Health Pr.(1/90)	22.00	MD	US	(5.1)	(5.1) 22.00 19.75	Koger Equity(1/90)	19.00	OF	SE	(4.6)	(4.6) 19.50 17.13	
Health CarePr.(1/90)	31.00	MD	US	(8.5)	(8.5) 31.00 27.88	Mellon Partic.(1/90)	5.63	SC	US	(4.4)	(4.4) 6.00 5.13	
Rock.Ctr.Prop. (1/90)	20.25	OF	NY	(3.1)	(3.1) 20.25 18.25	Mtg. & Rlty. Tr.(1/90)	13.88	DV	US	(9.0)	(9.0) 13.50 12.50	
Univ.Hlth.Rl (1/90)	13.00	MD	US	(3.8)	(3.8) 13.00 11.75	Mtg. Inv. Plus(1/90)	6.38	OF	CA	+3.9	+3.9 7.00 5.75	
GROUP				(5.7)%	(5.7)%	Perini Invest. P.(1/90)	13.88	OF/IN	US	0.0	0.0 15.00 12.50	
FASTER GROWTH, DEVELOPMENT RISKS PLUS PRICE VOLATILITY						REIT of Calif.(1/90)	14.25	SC/OF	CA	(0.9)	(0.9) 15.00 12.88	
Investment Builders, Income Property Owners, & Equity MLPs						Recovery candidates: Builders/developers & REITs						
Forest City A (1/90)	39.25	SC/OF	US	(2.9)	(2.9) 40.00 35.50	CleveTrust Rlty.(1/90)	3.88	OF/SC	SW	0.0	0.0 4.50 3.50	
Koger Prop. (1/90)	22.75	OF	SE	(0.5)	(0.5) 24.00 20.50	Duke Realty(1/90)	5.00	OF/IN	MW	0.0	0.0 5.50 4.50	
Rouse Co. (1/90)	24.00	SC/LD	US	(1.0)	(1.0) 25.50 21.63	First Union RE(1/90)	15.63	SC/OF	NAT	+6.4	+6.4 16.50 14.13	
GROUP				(1.2)%	(1.2)%	Inter.Genl.LP(1/90)	7.75	LD/AP	MD	+8.1	+8.1 8.00 7.00	
LONG TERM GROWTH VIA LAND DEVELOPMENT/RATE RISKS/PRICE VOLATILITY						K&B Home(1/90)	12.63	HG/CL	CA	(9.9)	(9.9) 14.00 11.38	
Land & Income Property Developers, Homebuilders						Leisure Tech.(1/90)	2.13	RH	US	(5.9)	(5.9) 2.50 1.88	
Centex Corp. (1/90)	33.25	HG/MT	US	+13.9	+13.9 33.00 29.88	MSA Rlty.(1/90)	8.63	SC	MW	(7.2)	(7.2) 9.00 7.75	
Lennar Corp. (1/90)	18.63	HG	FL	+0.7	+0.7 20.00 16.75	Ryland Gr.(1/90)	19.25	HG/MG	US	0.0	0.0 22.00 17.25	
Newhall Land (1/90)	28.88	LD	CA	+4.3	+4.3 30.00 26.00	Sizeler Prop.(1/90)	14.00	SC	LA	(2.7)	(2.7) 14.00 12.63	
Std.Pacific LP (1/90)	15.25	HG	CA	(4.9)	(4.9) 15.00 13.75	Property types: AP=Apartment; CL=Commercial; DV=Diversified; HT=Hotel/Modging;						
GROUP				+5.5%	+5.5%	HG=Housing; IN=Industrial; LD=Land Devel.; MT=Motel; MG=Mortgage; OF=Office; RA=Race track;						
AGGRESSIVE RECOVERY/TAKEOVER CANDIDATES/LIQUIDATIONS						RH=Retirement housing; SC=Shopping Center; SL=Savings & loan.						
Speculative yield, Uncertain Outcome, High Price Volatility						Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NW=Northwest						
Copley Prop. (1/90)	12.63	IN	W	(3.0)	(3.0) 12.00 11.38	US=National, States are Postal Service code.						
Hlth.CareREIT (1/90)	15.00	MD	MW	(5.0)	(5.0) 15.50 13.50	Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined;						
ICM Prop. (1/90)	6.38	OF	US	+13.7	+13.7 7.00 5.75	Review with comment dates in paren. * Reviewed in October, issues. # Stock selling above limit price.						
						z-Audit affiliate involved in pending or recent transaction.						

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change your mind. Stop losses typically are viewed as a trader's tool, but there are times when they can protect profits in stocks, or get you out of the market for especially volatile stocks.

They work like this in practice: Last August 25 we posted a stop-loss for **BRT Realty Trust**, a short-term mortgage lending REIT, at a price of \$13 per share. BRT broke below that price in mid-September and we removed it from Portfolio Planner despite our admiration for the real estate savvy of its managers in a very weak New York area market. BRT now sells at \$10.38 per share, so our advice has averted a 20% price decline for subscribers who acted on it.

Long-term subscribers will recognize that this sell strategy advice is a break with tradition for REALTY STOCK REVIEW. And we still think successful realty stock investing largely consists of finding stocks

whose earnings, cash flow and dividends — and hence stock price — will go up, even if the broad market is flat to down. But our analysis of recent market trends show that current markets require extraordinary care.

Portfolio Planner fared well overall in its first month as a managed portfolio, ending the month dead-even in price vs. a 1.4% decline in the S&P 500.

Best Performers. February's best performer was **International Income Properties Inc.**, up 23.9% on dramatic news that managers plan taking IIP private at a handsome premium to market price. An institutional fund organized by IIP's managers has offered to buy all IIP assets at appraised or current net asset value (NAV) of about \$20.05 per share. IIP was selling at about a 35% discount to appraised value on the eve of the announcement of the forthcoming purchase. We hold IIP shares in Portfolio Planner until the

purchase offer becomes official, sometime in late spring. And with a price below \$17, there's still some room to participate.

Other strong performers in Feb. were **Centex Corp.**, the major homebuilder and supplier, up 13.9%; and **ICM Property Investors**, an office REIT, up 13.7%.

Group Performances. Thanks to these individual performances, the Land Developer-Builder group rose 5.5% for the month, and the Income and Asset Growth group rose 0.2%. Our other three groups fell during the month, with Investment Builders off 1.2%, the Recovery group off 1.6%, and the Above-Average Income group (mainly medical leaseback and participating mortgage REITs) off a hefty 5.7%.

Our Avoid-Sell group fell 11.7% for the month, more than eight times the fall in the S&P 500, indicating our picks in this group were on target for this short period.

Stock Review: MGI Properties Rated Hold Despite Price Weakness

Only one stock pierced our 10% price collar during February: MGI Properties. MGI was February's big loser, down 12.1%. At 10-7/8, is about 25¢ below our downside target of 11-1/8. But we are continuing MGI in Portfolio Planner in the Recovery-Takeover-Liquidation group because we think asset values are sound and operations improving moderately.

MGI bit the bullet in its Nov. 1989 fiscal year, converting from a mortgage combination REIT to an equity REIT via the Dec. 1988 acquisition of Turner Equity Investors via an exchange of shares. The acquisition and unforeseen expenses cost MGI 17¢ per share in 1989, with the result that operating EPS — the number most investors look at — plunged 36% to 80¢ per share. At mid-year MGI cut its dividend by 30% to \$1.12 annual rate. Operating cash flow — the amount on which dividends are based — fell 20% to \$1.29 per share.

Sorting through MGI's position as detailed in its 1989 annual report, we conclude that there's no compelling reason to sell the stock right now and that its inclusion in the Recovery group very nicely sums up what we see ahead for MGI.

Plusses and minuses:

PLUSSES:

—Shares sell at about a 40.4% discount to our estimated \$18.25-\$18.50 per share current NAV. That number is only 3%-5% above MGI's \$17.68/sh. sum of net book value plus depreciation.

—The current 10.3% dividend yield gives you a 2.8% yield premium over the average for all property REITs (Performance Summary, p. 8) that amply compensates for the risk of holding a recovery candidate.

—Operating income and cash flow should improve very moderately for 1990, since many acquisition penalties are behind.

—Property costs are relatively low, with MGI's average costs being \$32,385 per unit for apartments, \$89/sq.ft. (SF) for office, \$18.70/SF for industrial, and \$57.46/SF for retail.

—MGI is self-administered, with properties managed by its staff and outside managers in a few instances; conflicts of interest aren't material.

MINUSES:

—The portfolio is so diversified as to lack product and geographic focus. This is

by design as MGI has attempted to move into and out of major property types and cities to time local markets. Right now MGI's \$171.8 mil. real estate at cost is 38% apartments with 1,736 units; 35% office with 641,000 sq.ft. (SF); 14% retail with 387,200 SF; and 13% industrial with 1.1 mil. SF. Major holdings are in Florida (Tampa), 19%, and Michigan (Detroit suburbs), 18%.

—Soggy rents have held back results even though most properties are full. Year-end vacancies averaged 2.6% for apartments, 10.1% for offices, 9.3% for industrial, and 1.6% for retail. A few large office and industrial leases are up for renewal in 1990, and MGI has reached continuation agreements with one tenant and is talking to others. A 53,200 SF industrial property in Blue Ash, O. outside Cincinnati, is the largest industrial vacancy.

—MGI enacted a "shareholders' rights" plan last June and distributed rights to acquire 1/100 of a Series A Participating Preferred at \$60 if certain business combinations occur. Effectively this acts to deter hostile takeovers for less than 100% of shares.

Bottom line: Hold MGI or add to shares at or close to \$10/sh.

Major Market Swings in REIT Stocks

Estimated from prior Paine Webber Index.

Bull Markets				Bear Markets			
Beginning - Ending	Index	% Chng.	Duration	Beginning - Ending	Index	% Chng.	Duration
Fall 1959 — Feb. 1962	NA	E50.0%	31 Mon.	Mar. 1962 - Dec. 1966	NA	E67.0%	58 Mon.
Jan. 1967 - May 1969	105.32#	+216.5%	29 Mon.	June 1969 - May 1970	68.22#	-35.2%	12 Mon.
June 1970 - Nov. 1972	104.27	+ 52.8%	30 Mon.	Dec. 1972 - Dec. 1974	34.93	-66.5%	25 Mon.
Jan. 1975 - Nov. 1977	64.51	+ 84.7%	35 Mon.	Dec. 1977 - Oct. 1978	57.96	-10.2%	11 Mon.
Nov. 1978 - April 1981	82.28	+ 42.0%	30 Mon.	May 1981 - June 1982	69.18	-15.9%	14 Mon.
July 1982 - Feb. 1987	117.88	+70.4%	56 Mon.	Mar. 1987 - Feb. 1990	79.29	-32.7%	36 Mon.
AVERAGES		+86.1%	35 Mon.	AVERAGES		-37.9%	26 Mon.

MARKET TRENDS: Data Show 3-Year Bear Market in REITs

A new reading on REIT stock prices by the National Assn. of Real Estate Investment Trusts (NAREIT) shows a much deeper bear market since all REIT share prices peaked three years ago in Feb. 1987.

NAREIT's new data show a 32.7% decline in all REITs since this peak, vs. a 22.5% drop in previous data.

The NAREIT Index, a market value index published since 1972, is one of the most widely watched measures of market action for REIT shares. Many investors use the Index as a proxy for Wall Street's opinion on the future of real estate. Most REIT watchers follow the All REIT Index, the broadest measure of REITs. But NAREIT actually publishes three other separate Indexes—covering the subgroups of Equity REITs, Mortgage REITs, and Hybrid or combination REITs. REALTY STOCK REVIEW has never been able to track the NAREIT Indexes currently because they are published only monthly, at the end of each month.

Tracking the Tops. All those details aside, NAREIT's new data show two NAREIT indexes (All REITs and Equity REITs) topping out in early 1987—long before both the Oct. 1987 and Oct. 1989 stock market plunges. The Mortgage and Hybrid REIT groups actually made their last highs in Oct. 1986.

The new sharper declines from these peaks comes after NAREIT revised, or rebased, its indexes. What had happened was that new stock sold by REITs over the past three years was being added to current market value but not to base period values. As a result the Indexes went up when one or more REITs sold new stock, even though

prices per share remained unchanged.

Bull & Bear Swings. NAREIT's new version of market trends enhances our hopes, as detailed in our Jan. 26 issue, for REIT shares to rebound in 1990. In the 30 years we've been following realty stocks, including the pre-NAREIT Index days, only one bear market has lasted longer than three years and that is the 58-month bear market of the 1960s. It is dated partly by our memory, and partly by the movement of the Paine Webber Index, an Index published during that time.

Market swings between 1966 and 1972 are also based on this old Index. The longest bear market in the history of the NAREIT Index lasted three years—precisely the length of this latest downswing since Feb. 1987.

Above is a brief summary of major realty stock bull and bear market swings over the past three decades, showing percentage swings and durations when available. We've combined our recollection of the 1960s with NAREIT Index moves since Jan. 1972.

Negative Correlation, Lower Volatility. The big message from the new NAREIT data is that for the first time REIT stocks are now correlated more closely with the private property markets than with the stock market. Using the new data, we now find that all REITs are negatively correlated to the stock market. The actual measure of volatility, or beta, is minus 0.34 for the past three years. Since property markets have been negatively correlated with the stock market for several years, our new study means that REIT stocks are also now aligned more closely

with property markets that stock markets.

In statistical terms, this means that REIT stocks, on balance, will go up if the broader stock market averages (such as our benchmark, the Standard & Poor's 500 Index) go down, and all REITs will go down if the broader market averages rise.

The minus 0.34 beta also means that REIT stocks, on balance, now move with only about one-third the volatility of the broad market. This represents a sharp decline in volatility, since REIT stocks during most of the 1980s were about two-thirds as volatile as the market.

All this means that in today's uncertain broad stock market, REIT and other real estate stocks look more and more like a safe haven. They swing only about one-third as widely in price, and should go up or hold stable in price if the broad market declines in 1990—which we see as a high probability.

The Broad Market. As we go to press the broad market has rallied following a sharp break on the Tokyo stock market. As we advised in the Jan. 26 RSR, an adverse interest rate picture has turned broad market fundamentals negative. If the S&P 500 breaks through the 320 level decisively in the weeks ahead, we think you should figure that the broad market could move sharply lower by year-end.

In that event, already deflated realty stocks may provide some welcome refuge. One measure of relatively favorable market action: Since Jan. 1, the Dow-Jones real estate index has fallen about 5.6%, or about two-thirds as much as the 8.2% decline in the Dow-Jones equity index.

MARKET PULSE: Realty Stocks Search for Bottom

Starting this issue we include OTC issues in our tables in order to provide a better indication of the performance of all the realty stocks we follow.

High/low indicator: With few exceptions, 1990 is shaping as a year of retreat for realty stocks. In the first three weeks of February there have only been four new highs in the realty stock group. New lows are comprised mostly of interest rate sensitive issues. Equity REITs, syndicators and homebuilder/developers which rely on borrowing, and mortgage lenders were the hardest hit groups, due primarily to slower demand and increasingly stringent lending policies.

The down residential housing market has hurt many from 1989 to present and relief from lower interest rates may prove elusive. Interest rates have not fallen as many have predicted they would and may turn up again. Factors behind a rise would be the Federal Reserve Board's intent on fighting inflation and the Treasury's quests to finance the U.S. budget deficit by remaining competitive in world capital markets (i.e., with Japan and West Germany which have recently increased lending rates).

As a group realty stocks net highs in 1990 have been secularly negative. The 173 stocks in our universe comprise about 2.5% of total U.S. stocks. With this in mind one can see the beating (as a percent of all new lows, below) realty stocks took in December versus the broad market. In January they returned to near equilibrium while in February they again appear to been making a disproportionate number of new lows compared to the broad market.

NEW HIGH/LOW TALLY

Week	New Highs	New Lows	Net Highs	-% of All Highs	Lows
Feb.23	1	20	-19	1%	4%
Feb.16	2	40	-38	1	7
Feb. 9	2	22	-20	1	4
Feb. 2	0	30	-30	0	3
Jan.26	1	33	-32	1	3
Jan.19	0	20	-20	0	3
Jan.12	2	15	-13	1	4
Jan. 5	3	7	-4	1	5
Dec.29	2	39	-37	1	20
Dec.22	3	53	-50	2	13

Four realty stocks hit new highs in February:

Thinly traded **First Carolina Investors** hit a new high at \$38 per share with insiders, who hold 42.9% of outstanding shares, continuing to add to holdings combined with a stock repurchase program that in the Sept. nine months acquired 65,698 shares at an average cost of \$29.78 per share.

The stock of **General Homes**, the financially troubled Texas homebuilder was buoyed when shareholders voted in favor of its proposed debt conversion. General is attempting to avoid bankruptcy by swapping \$140 mil. of subordinated debt for new convertible preferred.

International Income Property had the rare distinction of reaching both a new high and a new low in the same week. IIP announced on Feb. 15 that it had received an offer from U.S. Prime Property Inc., a management led entity, to acquire its assets in a cash transaction which sent the stock soaring 4-1/2 points to close the week at \$17. Previously IIP had been drifting in doldrums with the broad group. The deal's purchase price is to be determined using IIP's \$20.05 per share appraised value as a base. Insiders were particularly careful to prevent leaks of their plans in order to avoid questions of impropriety.

Nationwide Health Properties Inc. had the dubious honor of being one of the last clients of Drexel Burnham to successfully complete a secondary stock offering before Drexel filed for Chapter XI. Nationwide netted \$42.4 mil. selling 3 mil. shares at \$15.13 per share. Nationwide, by paying down bank debt with new capital, freed itself from restrictive covenants and resumed its dividend at 46¢ per share.

New lows: Of the 66 new lows in February, hardest hit are those companies that rely on lending or borrowing. By loosely based groups and number of new lows in each:

Equity REITs/property owners - 16: Burnham Pacific Properties, Chicago Dock & Canal, Dial REIT, Federal Realty, Gould Investors, L.P., HRE Prop-

erties, Hollywood Park, International Income Property, MGI Properties, Parkway Co., REIT of California, Santa Anita, Storage Equities, USP REIT, United Dominion Realty Trust, Washington REIT. There are rumblings of a shake-up at Hollywood Park and there is the possibility that the company may go private. USP REIT cut its dividend 40% to 60¢ annualized.

Among softening equity REITs, we believe now could be an opportune time to buy trusts with sound financial and market fundamentals that may be near the bottom of a down price trend. We believe many of these trusts will continue to offer total returns in excess of 10% making the present ripe for buying. See portfolio planner (page 2) for suggestions.

Syndicators - 12: Equitec Financial, Sierra: Real Estate '83, Real Estate '84 & VII pfd. VMS: Hotel Fund, Mortgage Investment Fund, Short-term, Mortgage L.P., Mortgage II, Mortgage III, Strategic Land, Strategic Land II. Finances and the market have soured on these entities and near-term prospects are poor. Dividend payout doubts have battered VMS entities after it revealed its precarious financial position.

Mortgage lenders - 9: Angeles Finance Trust, BRT Realty Trust, Capstead Mortgage (common and preferred), Emerald Mortgage, L.P., Hammond Co., Lomas & Nettleton Mortgage, Mortgage & Realty Trust, Presidential Realty, Realty South Investors. This group has been plagued by bad loans and diminishing spreads that could get worse before improving. The squeeze forced dividend cuts at Mortgage & Realty Trust and Realty South Investors. Presidential borrower, Ivy Properties, Ltd. recently defaulted on \$11.3 mil. in cooperative conversion loans.

Developers - 7: Centennial Group, FPA Corp., Forest City Enterprises B, Henley Properties, Landmark Land, Major Realty, Mission West Properties, Patten Corp. These companies are finding it increasingly expensive to finance

land inventories and development projects. Henley Properties which had experience a sell-off since its spin-off from the Henley Group last month has since rebounded.

Homebuilders - 7: Calton, International American Homes, Leisure Technology and Union Valley Corp. continue to feel pressures of a weak NJ market. Leisure Tech announced a partnership with a Japanese concern to develop 134 acres in Calif.; the first phase will be 175 single-family detached homes. Lennar and General Development operate in the soft Florida market. Multimarket homebuilder NVR L.P. has just started to feel pressure from softer markets.

Liquidating - 3: Hotel Investors, JMB Realty, Mony Real Estate Investors.

Advance/decline indicator: It is interesting to note that our universe of realty stocks also make a relatively larger contribution to the advance/decline numbers than their absolute position in the broad market indicating active trading.

The net advance numbers tell us the group lacks broad strength, but select issues continue to do well in almost any market. From the magnitude of price movements over their absolute position in the total universe we can generalize that realty stock's have recently been more active relative to movements in the market in general. In January they outpaced advances while in Dec. they outpaced declines.

Into the third week of Feb. realty stocks continued their whipsaw fluctuation between positive and negative.

ADVANCE/DECLINE TALLY

Week	Adv.	Decl.	Net		-% of All-	
			Adv.	Decl.	Adv.	Decl.
Feb.23	55	81	-26	3.4	2.2	
Feb.16	53	87	-34	2.0	3.1	
Feb. 9	64	66	-2	2.0	2.9	
Feb. 2	68	71	-3	2.6	2.4	
Jan.26	24	117	-93	4.8	5.1	
Jan.19	69	69	0	6.7	4.2	
Jan.12	44	89	-45	5.5	4.5	
Jan. 5	94	42	+52	5.5	4.1	
Dec.29	74	60	+14	4.3	6.6	
Dec.22	43	102	-59	4.0	6.1	
Dec.15	37	100	-63	3.1	6.6	
Dec. 8	50	85	-35	3.8	6.3	
Dec. 1	70	71	-1	4.3	6.5	

DIVIDEND NEWS: NINE INCREASES, SIX CUTS

Six Portfolio Planner stocks boosted payout this past month.

—**American Health Properties** raised 1.8% to \$2.32 annual rate.

—**Bradley Real Estate** boosted payout 17.6% to an 80¢ annual rate. Bradley sold new shares last June to fund an extensive renovation program at its shopping centers in Minneapolis and New Hampshire. The resulting higher rents enable BTR to boost payout for the first time in several years.

—**Health Care Property Investors** rose 1.7% to \$2.96 rate.

—**Nationwide Health Properties** posted a \$1.84 annual rate, up 84% from \$1.00 previously. NHP sold 3.0 mil. new shares at \$15.13 Jan. 24 to raise \$45 mil. and pay off bank debt. Banks had limited payout previously.

—**Shopco Laurel Centre L.P.** upped payout 1.8% to \$1.12 yearly rate.

—**Western Investment Real Estate** bumped payout to a \$1.40 annual rate, continuing its record of posting moderate quarterly payout increases. WIR owns shopping centers in northern Calif. and Nevada. Other increases:

—**Nooney Realty Trust**, up 25% to 40¢ annual rate.

—**Sierra Capital VI** boosted payout 17.0% to 33¢; preferred unchanged.

—**UDC-Universal L.P.**, a builder developer, boosted payout 16.7% to \$2.80 annual rate.

DIVIDEND CUTS:

—**Capital Hsg. & Mtg.**, down 48% to \$0.492 annual rate.

—**NVR LP**, down 25% to 60¢ rate.

—**LaQuinta Motor Inns L.P.** cut payout 50% to \$1.00 annual rate as predicted Jan. 12; its motel operator sponsor previously supported the dividend.

—**Realty South Investors**, Atlanta based shopping center lender, cut payout 52.9% to 32¢ annual rate.

—**Sierra Capital VII** cut common payout 29.0% to 30¢ rate.

—**Storage Equities** (not in Portfolio Planner) cut payout 85.7% to a 20¢ annual rate, vs. a \$1.40 rate previously. SEQ's operating cash flow had been running at about \$1.15-\$1.20/sh., so the cut indicates bigger underlying problems.

DEALS: TWO ATTEMPTS FAIL, ONE BID WINS

Two takeover attempts failed during February but one was accepted. And International Income Property received a buyout offer from a group organized by management in what may presage more management-led buyout offers (an LBO sans the leverage) to capture discounts.

Property Trust of America, an El Paso based equity REIT, found a white knight who bought an option to buy 600,000 shares of a new PTR preferred stock plus the 9.9% stake that **Sizeler Property Investors, Inc.** of Kenner, La. had accumulated in its tender offer to buy control of PTR. The new investor is SWRT Inc., a company organized by William D. Sanders, founder and former CEO of LaSalle Partners Ltd., a firm managing real estate investments for pension plans. As part of the deal, SWRT bought Sizeler's 502,000 PTR shares for \$11.75 per share or \$5.9 mil. SIZ had tendered to buy up to 51% of PTR at \$11.50 per share; PTR shares retreated to \$9.38 on the failure.

SWRT's preferred will carry the same dividends (84¢ annually) as PTR's common, and is convertible share-for-share into PTR common; if the option is exercised, SWRT would own 19.4% of PTR. PTR remains in Portfolio Planner (p. 2) as a recovery candidate.

HRE Properties, a New York City diversified REIT, blew the whistle on Kimco Group, a privately held shopping center developer, and its long-running effort to take control of HRE. HRE redeemed 603,050 shares at \$22.625 per share (or \$13.6 mil. total) held by Kimco Group members Delafield Asset Management and Shufro, Rose & Ehrman. Kimco retains its shares. HRE acted under its declaration of trust giving trustees power to redeem shareholdings over 9.9% of total shares. HRE also said it will buy up to 1.0 mil. shares (about 18.5% of the remaining 5.4 mil. shs.) in the market.

Lincoln N.C. Realty Fund Inc., a participating mortgage REIT based in northern California, has agreed to be acquired for \$9.54 per share by Silverstone Partners, a Calif. group organized by wealthy importer David Gaon. Silverstone will buy LRF's warrants at \$0.03125 each. The offer is subject to conditions.

3. Fed.Nat.Mtg.	+77.8
4. Christiana Cos.	+51.0
5. Abrams Inds. Inc.	+38.3

	Last Month
1. VMS Strategic Land	-66.0%
2. VMS Mtg. Invstmt. Fund	-60.5
3. VMS Hotel Investment	-58.6
4. VMS Short Term Income	-41.9
5. Realty South Investors	-38.3

Last Month

Last 12 Months	
1. HealthVest	-67.7%
2. Lomas & Net. Mtg.	-67.6
3. VMS Hotel Investment	-64.4
4. Realty South Investors	-58.7
5. EQK Realty Inv. I	-57.9

Worst Performing Cos./MLPs

Last Month	
1. Hammond Co.	+45.5%
2. National Realty LP	+40.0
3. Starrett Housing	+20.5
4. Centex Corp.	+13.9
5. Amrep Corp.	+13.7

Last 12 Months	
1. Pacesetter Homes	+114.3%
2. Contl. Homes Hldg.	+93.3

	Last Month
1. VMS Mtg. Inv. LP	-71.0%
2. General Development	-26.9
3. Patten Corp.	-17.6
3. Unicorp American	-17.6
4. Major Realty	-17.0

Last 12 Months	
1. Lomas Fincl.	-93.5%
2. Tierco Group	-90.6
3 Commnwth. Mtg. LP	-88.9
4. Bay Fincl.	-88.8
5. Calton Inc.	-76.1

	DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE		DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE		DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE	
QUALIFIED REITS												
BRE PROPERTIES #	7/89	36.75	-24.8	SIERA CAP RLY VI#	12/88	8.82	-47.6	FORUM RET PFD UN#	9/89	9.96	-69.9	
BURNHAM PAC PROP#	12/88	18.50 b	-0.7	SIERRA RE EQ83#	12/88	10.21	-51.0	LA QUINTA MTR IN#	12/88	15.75 b	-55.6	
COPLEY PROPS #	12/88	23.37	-47.6	SIERRA RE EQ84#	12/88	8.37	-64.2	MSA REALTY CORP #	12/88	12.35	-35.2	
DUKE RLTY INVST #	12/88	8.31	-39.8	TRAML CROW REI#	12/88	11.46	-68.4	NATIONAL REALTY	12/88	26.00 b	-83.2	
FEDERAL REALTY#	12/88	21.50 b	-5.8	USD RL EST INV#	12/88	9.44	-48.4	NEWHALL LAND	12/88	24.24	24.3	
FIRST UNION RE#	12/88	26.25 b	-36.7	UTD DOMINN RLY#	12/88	20.50 b	-20.7	PERINI INV PR#	9/89	24.77	-47.5	
GRUB&ELLS REIT	12/88	9.36	-27.9	WASH RE (WRIT)#	12/88	17.00 b	2.2	PRIME MTR INN LP#	12/88	20.90 b	-55.7	
HRE PROPERTIES #	10/88	27.50 b	-28.2	WEINGARTEN RLY#	12/88	23.00 b	32.6	RED LIONS INNS #	12/88	17.00 b	0.7	
INTL INCOME PR#	12/89	20.05	-15.8	WESTERN INV RE#	12/88	19.00 b	-5.3	ROUSE CO#	12/89	34.80	-30.3	
IRT PROPERTY CO#	12/88	16.00 b	-21.9	AVERAGE (24 REITS)			-26.9	SHOPCO LAURL CTR#	12/88	11.40	-21.1	
NEW PLAN RLY TR#	7/89	16.67	1.2	OPERATING COMPANIES				SOUTHWEST RLTY#	2/89	3.70	-69.6	
PENN REIT#	8/88	26.00 b	-1.4	BAY FINCL CORP	6/89	6.02	-81.3	AVERAGE (16 COMPANIES)				-40.7
PRU RL CAPITAL #	12/88	2.43	-74.3	EQK GRN ACRES LP#	12/88	13.93	-11.2	Current market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Entity not by RS3 as of 12/88.				
SANTA ANITA	12/88	27.82	-0.3	EQUITABLE RE SC #	12/88	10.22	-25.4					
SIERA CAP RLY IV#	12/88	8.00	-50.0	FOREST CITY-A#	1/89	70.00 b	-45.5					
				FOREST CITY-B#	1/89	70.00 b	-44.6					

2/22/90	FUND	DISTRIBUTOR/ EXCHANGE	FUND TYPE#	NET ASSET VALUE (NAV)		PAID 1989	IND. YIELD	—CHANGE IN NAV—	
				NAV	OFFER			LAST MON.	LAST YR.
	OPEN-END FUNDS								
	EVERGREEN GLOBAL REAL EST.	Evergreen Funds	NL	\$9.75	\$9.75	NA	NA	0.10%	NA
	FIDELITY REAL ESTATE INV.	Fidelity Mgmt.	LD-2.0%	9.34	9.53	\$0.54	5.78%	-1.58%	2.30%
	NATL. REAL ESTATE STOCK	Natl. Secur. & Res.	LD-7.75%	7.63	8.37	0.39	5.11%	-1.17%	-10.24%
	NATL. REAL ESTATE INCOME	Natl. Secur. & Res.	LD-7.75%	7.75	8.40	0.75	9.68%	-2.52%	-20.27%
	TEMPLETON REAL EST. TR.-New	Templeton Dist.	LD-9%	9.62	10.51	0.00	0.00%	-0.52%	NA
	UNITED SER. REAL ESTATE	Utd. Services	NL	8.45	8.45	0.41	4.85%	-2.09%	-10.58%
	USAA CORNERSTONE FUND	USAA Invest.	NL	19.00	19.00	0.68	3.58%	-0.16%	8.76%

21 428/

NA=NOT APPLICABLE; NEW FUND

GROUP ACTION SUMMARY 2/22/90

GROUP NO.	GROUP NAME	DIV. PAY	NO DIV.	TOTAL	SHARES (000)	BOOK VALUE	ANNUAL EARNINGS DIV. 12-MOS.		PRICE 2/22/90	TOTAL RET. FROM 1/24/90	2/22/89	P/E RATIO	ANNUAL YIELD	PRICE TO BOOK	RETURN ON BOOK	MKT VALUE MIL. \$
1	Property REITs	38	6	44	8,691	\$11.50	\$0.96	\$1.00	\$12.85	0.1	(2.4)	12.9	7.5	10.8	8.6	5584.1
2	Leaseback REITs	11	2	13	7,341	\$14.13	\$1.36	\$1.61	\$12.12	(4.0)	3.2	7.5	11.2	(14.3)	11.4	1409.7
3	Property & Mtg. Comb.	15	0	15	5,583	\$11.19	\$0.97	\$0.95	\$7.53	(4.0)	(23.4)	7.9	12.9	(32.7)	8.5	657.6
4	Mortgage REITs	21	3	24	8,760	\$12.26	\$1.15	\$0.63	\$7.44	(3.6)	(10.2)	11.7	15.5	(39.4)	5.2	1552.6
5	Participating Mtg. REITs	9	0	9	16,207	\$10.89	\$1.19	\$0.84	\$7.15	(14.9)	(14.8)	8.5	16.7	(34.3)	7.7	1161.2
REIT AVERAGE				105	8,740	\$11.94	\$1.07	\$0.97	\$10.27	(2.6)	(6.7)	10.6	10.5	(14.0)	9.0	10365.2
6	Major Homebuilders	7	5	12	20,784	\$11.73	\$0.38	\$1.76	\$11.29	1.3	(9.5)	6.4	3.4	(3.7)	15.0	2281.7
7	Other Builders/Developers	4	26	30	7,937	\$5.54	\$0.17	\$0.13	\$5.39	0.7	(11.0)	42.1	3.1	(2.8)	2.3	1148.7
8	Income Prop Bldr/Owner	17	7	24	8,327	\$10.74	\$0.91	\$0.56	\$13.44	(1.1)	(9.8)	24.2	6.8	25.2	5.2	3095.0
9	Mortgage Banker/Finance	5	3	8	41,977	\$5.41	\$0.38	(\$0.81)	\$8.20	(0.1)	1.6	0.0	4.7	51.7	(14.9)	8397.4
10	Diversified Rty & Holding	8	5	13	40,458	\$9.35	\$0.35	(\$2.12)	\$19.85	(1.3)	3.9	0.0	1.8	112.4	(22.7)	14906.2
11	Rty Svcs/Syndicators	0	3	3	7,965	\$4.81	\$0.00	(\$0.70)	\$3.85	(1.6)	(3.6)	0.0	0.0	(19.9)	(14.6)	87.3
12	Manufactured Housing	3	3	6	11,542	\$8.98	\$0.22	\$0.44	\$9.07	(2.8)	(15.9)	20.9	2.4	1.1	4.8	862.7
OTHER REALTY STOCKS AVERAGE				96	17,107	\$8.31	\$0.42	\$0.05	\$10.51	(0.6)	(6.5)	212.0	4.0	26.5	5.1	30779.0
L	Liquidating Companies	7	1	8	8,322	\$8.81	\$1.40	(\$0.52)	\$4.92	(8.4)	(6.0)	0.0	28.4	(44.1)	(5.8)	307.0
TOTAL/AVERAGE				209	12,736	\$10.21	\$0.76	\$0.53	\$10.39	(1.6)	(6.6)	19.6	7.3	1.7	7.5	41451.2
Dow Jones Industrials							\$224.22	2574.77	(1.1)	17.2	11.5	4.2				
Standard & Poor's 500							\$23.69	325.70	(1.4)	2.2	13.7	3.6				
Dow Jones Utilities							\$17.98	216.86	(1.0)	26.2	12.1	6.9				
Dow Jones Home Construction Group								373.10	(0.5)	(1.3)						
Dow Jones Real Estate Group								552.64	1.5	23.9						

Liquidating Cos. included only in Total Cos. and Market Value. Industrials, S&P500, Utilities, Home Construction & Real Estate Return from Jan. 24 not adjusted for dividends.

QUALIFIED REAL ESTATE INVESTMENT TRUSTS

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MON 12MO	PRICE Feb-22	-TOTAL RET. FROM 1/24/90	2/22/89	P/E RATIO	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. \$	
A	AMER HEALTH PROP#	12/8/89	NY-AHE	2	14,461	\$19.01	\$2.32	U DEC	\$2.58	\$20.86 X	(2.5)	18.6	8.1	11.1	9.8	13.6	\$301.9
NR	AMER SW MTG INVMT	1/27/89	AS-ASR	4	14,326	\$9.73	\$0.60	S SEP	\$0.57	\$3.26 X	(18.7)	(25.7)	5.7	18.4	(66.5)	5.9	\$46.6
C	AMERICAN REALTY	8/11/89	NY-ARB	4	8,356	\$15.00	\$1.52	SEP	\$0.66	\$5.63	(6.3)	(13.6)	8.5	27.0	(62.5)	4.4	\$35.8
NR	F-ANGELES FINC TRST		AS-ANF	4	1,051	\$17.87	\$1.92	U SEP	\$2.05	\$12.00 X	(5.3)	(11.1)	5.9	16.0	(33.2)	11.4	\$12.6
C	ASSET INVESTORS	9/9/89	NY-AIC	4	13,892	\$14.94	\$1.80	SEP	\$1.82	\$7.50	(7.7)	(12.6)	4.6	24.0	(49.8)	10.8	\$104.2
B	P-BAY MEADOWS OPER	8/12/88	AS-CJ	1	5,773	\$3.94	\$0.60	SEP	\$0.37	\$16.00	0.0	(3.8)	43.2	3.8	306.1	9.4	\$92.4
NR	BODDIE-NOEL PROP#		AS-BNP	2	2,850	\$11.41	\$1.36	SEP	\$1.32	\$10.63	(5.6)	(7.8)	8.0	12.8	(6.9)	11.6	\$30.3
A	BRADLEY RLEST @	10/20/89	AS-BTR	1	4,175	\$6.27	\$0.80	U SEP	\$0.53	\$10.86 X	12.2	(9.6)	20.5	7.4	73.4	8.5	\$45.4
A	BRE PROPERTIES #	10/20/89	NY-BRE	1	7,885	\$21.26	\$2.40	OCT	\$2.52	\$27.63	(0.9)	1.8	11.0	8.7	29.9	11.8	\$217.8
C	BRT REALTY	9/29/89	NY-BRT	4	7,345	\$14.46	\$2.00	DEC	\$2.19	\$10.36	(15.3)	(32.7)	4.7	19.3	(28.3)	15.1	\$78.2
A	BURNHAM PAC PROP#	10/20/89	NY-BPP	1	5,962	\$14.90	\$1.36	SEP	\$2.23	\$18.36	(3.3)	8.1	8.2	7.4	23.3	15.0	\$109.6
NR	CALIFORNIA REI	9/29/89	NY-CT	1	9,065	\$6.72	\$0.40	SEP	\$0.40	\$2.50	0.0	(29.7)	6.3	16.0	(62.8)	8.0	\$22.7
NR	CAPITAL HIG&MTG	11/24/89	AS-CAP	4	4,982	\$8.79	\$0.49	D SEP	\$0.61	\$7.50 X	1.6	11.0	12.3	6.5	(14.7)	6.9	\$37.4
C	CAPSTEAD MTG CORP		NY-CMD	4	8,700	\$20.14	\$2.24	DEC	\$1.73	\$13.88	(0.9)	(6.0)	8.0	16.1	(31.1)	8.6	\$120.7
NR	F-CEDAR INCOME FD #		OC-CEDR	1	2,329	\$8.09	\$0.52	S SEP	\$0.36	\$4.50 X	15.8	(25.8)	12.5	11.6	(44.4)	4.4	\$10.5
C	CENWILL INVSTR	8/11/89	NY-CVI	3	6,883	\$12.60	\$1.40	S SEP	\$1.25	\$9.88	3.9	(28.3)	7.9	14.2	(21.6)	9.9	\$68.0
B	CHICAGO DOCK&CANL	3/10/89	OC-DOCKS	1	5,784	\$7.00	\$0.30	S OCT	\$0.87	\$20.00 X	0.3	(20.9)	23.0	1.5	185.7	12.4	\$115.7
C	CLEVETRUST RLY #	8/12/88	OC-CTRIS	1	1,973	\$17.30	\$0.00	SEP	(\$0.69)	\$3.88	0.0	(29.5)	0.0	0.0	(77.6)	(4.0)	\$7.6
NR	COLUMBIA RE INVST	9/9/89	AS-CIV	4	5,379	\$9.43	\$0.92	SEP	\$0.92	\$7.13	0.0	21.1	7.7	12.9	(24.4)	9.8	\$38.3
B	COPLEY PROPS #	12/8/89	AS-COP	3	4,008	\$16.37	\$1.44	SEP	\$1.55	\$12.25	(3.0)	(20.3)	7.9	11.8	(25.2)	9.5	\$49.1
C	COUNTRYWIDE MTG	9/9/89	NY-CWM	4	13,645	\$7.99	\$0.64	DEC	\$0.63	\$3.88 X	0.9	(9.7)	6.2	16.5	(51.5)	7.9	\$52.9
A	COUSINS PROPS	3/10/89	OC-COUS	1	17,307	\$6.17	\$0.60	S DEC	\$0.87	\$15.13 X	(3.0)	7.8	17.4	4.0	145.1	14.1	\$261.8
NR	CRI INS MTG ASSN	12/8/89	NY-CRM	4	19,586	\$10.26	\$1.08	---	\$0.00	\$8.88	2.9	4.4	0.0	12.2	(13.5)	0.0	\$173.8
NR	CRI LIQUIDATING	12/8/89	NY-CFR	4	30,733	\$13.33	\$1.47	---	\$0.00	\$13.13	1.9	5.9	0.0	11.2	(1.5)	0.0	\$403.4
NR	DEL-VAL FINCL		NY-DVL	4	5,712	\$12.57	\$1.92	U SEP	\$1.66	\$18.36 X	4.4	23.5	9.9	10.4	46.2	14.8	\$105.0
B	DIAL REIT INC #	10/27/89	OC-DEAL	1	5,322	\$16.96	\$1.68	SEP	\$1.76	\$15.75	(3.1)	4.0	8.9	10.7	(7.1)	10.4	\$83.8
B	DUKE RLY INVST #	10/27/89	NY-DRE	1	8,594	\$6.99	\$0.68	S SEP	\$0.68	\$5.00 X	3.4	3.3	7.4	13.6	(28.5)	9.7	\$43.0
B	EASTON DR PROPS	12/8/89	AS-EDP	1	2,504	\$23.82	\$2.60	SEP	\$5.91	\$20.36	0.6	(0.6)	3.4	12.8	(14.5)	24.8	\$51.0
B	EASTONER CORP		OC-EASTS	3	1,144	\$15.80	\$1.36	SEP	\$2.64	\$11.00	0.0	(5.4)	4.2	12.4	(30.4)	16.7	\$12.6
NR	EMERALD MTG INVST	9/23/88	NY-EC	4	8,750	\$9.92	\$0.50	SEP	\$0.92	\$2.13	(26.1)	(34.3)	2.3	23.5	(78.6)	9.3	\$18.6
C	F-EOK RLY INV I #	9/29/89	NY-EBR	1	7,589	\$14.32	\$0.00	SEP	\$1.57	\$6.00	(5.9)	(57.9)	3.8	0.0	(58.1)	11.0	\$45.5
A	FEDERAL REALTY#	10/20/89	NY-FRT	1	16,476	\$12.09	\$1.40	SEP	\$1.66	\$20.25	(2.4)	(6.0)	12.2	6.9	67.5	13.7	\$333.6
NR	FIRST CONTINL REIT		OC-FCRES	4	5,403	\$2.30	\$0.00	NOV	(\$0.73)	\$0.34	(31.2)	(60.7)	0.0	0.0	(85.0)	(31.7)	\$1.9
A	FIRST UNION REI#	10/20/89	NY-FUR	1	17,859	\$9.28	\$1.50	SEP	\$2.21	\$16.63	6.4	(8.2)	7.5	9.0	79.1	23.8	\$293.6
NR	GOLDEN CORRAL #		OC-GCRA	2	1,480	\$9.38	\$1.00	SEP	\$1.08	\$7.00 X	(3.3)	(7.2)	6.5	14.3	(25.4)	11.5	\$10.4
C	F-GRIFFIN REIT		OC-GRIT	5	2,500	\$8.90	\$0.72	SEP	\$0.48	\$6.75 X	(7.6)	22.1	14.1	10.7	(24.2)	5.4	\$16.9
A	HEALTH CARE PRP#	12/22/89	NY-HCP	2	9,200	\$22.23	\$2.96	U DEC	\$3.18	\$28.38 X	(6.1)	25.0	8.9	10.4	27.6	14.3	\$261.1
B	HEALTH CARE REIT	12/22/89	AS-HCN	4	6,078	\$12.16	\$1.72	DEC	\$1.79	\$14.25 X	(2.1)	31.3	8.0	12.1	17.2	14.7	\$86.8
D	HEALTH EQUITY PRP#	12/8/89	NY-EDP	2	3,622	\$13.02	\$1.52	DEC	\$1.71	\$8.00	4.9	(6.0)	4.7	19.0	(38.6)	13.1	\$29.0
D	HEALTHVEST #	8/25/89	AS-HVT	2	10,773	\$20.14	\$0.00	SEP	\$2.36	\$3.88	(29.5)	(67.7)	1.6	0.0	(80.8)	11.7	\$41.7
C	HLTH & REHAB PRP#	12/22/89	NY-HRP	2	9,998	\$8.78	\$1.16	DEC	\$1.20	\$6.00	(2.7)	17.8	7.5	12.9	2.5	13.7	\$90.0
C	HMG/COURTLND PROP	9/29/89	AS-HMG	1	1,216	\$18.76	\$0.80	SEP	(\$2.14)	\$11.00	(2.2)	4.3	0.0	5.5	(41.4)	(11.4)	\$13.4
C	P-HOLLYWOOD PK RLY	2/24/89	OC-HTRFZ	1	3,958	\$1.38	\$0.00	SEP	(\$3.81)	\$24.00	17.1	15.7	0.0	0.0	1639.1	(276.1)	\$94.9
A	HRE PROPERTIES #	4/21/89	NY-HRE	1	6,006	\$25.15	\$1.80	OCT	\$2.33	\$19.75	1.3	(3.1)	8.5	9.1	(21.3)	9.3	\$118.8
B	ICM PROP INVSTR#	12/8/89	NY-ICM	3	5,476	\$13.30	\$0.48	SEP	\$0.65	\$7.25 X	15.6	(19.5)	8.5	6.8	(63.5)	6.4	\$30.1
NR	F-INCOME ORP RLY #		AS-IOT	3	4,375	\$13.84	\$0.40	JUN	(\$1.43)	\$3.88	(20.5)	(17.7)	0.0	18.3	(72.0)	(10.3)	\$17.0
A	INTL INCOME PRP#	4/28/89	AS-IIP	1	15,953	\$9.91	\$1.12	S SEP	\$1.74	\$16.88 X	25.9	33.2	9.7	6.6	89.4	19.5	\$269.2
NR	INVG MTG SECS		OC-INVG	4	682	\$27.30	\$1.40	SEP	(\$1.62)	\$9.50	35.7	23.2	0.0	14.7	(65.2)	(5.9)	\$6.5

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS- MON 12MO	PRICE Feb-22	-TOTAL RET. FROM 1/24/90 2/22/89	P/E RATIO	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. \$	
A	IRT PROPERTY COS	10/27/89	NY-IRT	1	12,186	\$0.00	\$1.16 S	SEP \$1.19	\$12.90 X	3.4 (2.4)	10.5	9.3	38.9	13.2	\$152.3	
B	KOGER EQUITY INC#	3/10/89	AS-KE	1	14,813	\$18.00	\$1.80 S	DEC \$1.80 D	\$18.13 (4.6)	5.6	9.6	9.9	(3.0)	10.1	\$259.4	
C	LBN HOUSING	5/13/88	NY-LHC	5	2,200	\$18.93	\$1.60	DEC \$0.17	\$11.36 (3.2)	(14.1)	86.9	14.1	(39.9)	0.9	\$25.0	
Z	LANDSING PACIFIC#	10/20/89	AS-LPF	1	6,157	\$18.14	\$0.80	DEC \$0.75	\$8.13 (4.4)	12.6	10.8	9.8	(57.5)	3.9	\$50.0	
NR	LINCOLN NC RL FND		-AS-LRF	3	1,998	\$12.25	\$0.84	SEP \$0.33	\$8.36 0.0	(7.4)	25.4	10.0	(31.6)	2.7	\$16.7	
NR	F-LINPRO SCPOD PROP		AS-LPO	1	1,856	\$0.04	\$0.00	SEP (\$0.02)	\$1.25 (9.1)	(54.5)	0.0	0.0	(86.2)	(0.2)	\$2.3	
C	LOMAS & NET MTG	2/10/89	NY-LOM	4	11,704	\$21.31	\$1.20	DEC (\$0.24)	\$4.13 (21.4)	(87.6)	0.0	29.1	(80.6)	(1.1)	\$48.3	
NR	MEDICAL PROPS		AS-MPP	2	2,369	\$10.86	\$1.20	DEC \$0.80 D	\$7.25 1.8	(6.1)	9.1	16.6	(33.2)	7.4	\$17.2	
C	MEDTRUST #	12/22/89	NY-MT	2	18,721	\$16.31	\$2.28	DEC \$2.21	\$18.25 X	(9.5)	26.7	8.3	12.5	11.9	\$341.7	
C	F-MELLON PART MTG	8/25/89	OC-MPMTS	5	8,645	\$9.05	\$0.72	SEP \$0.73	\$5.36 (4.4)	(14.5)	7.4	13.4	(40.6)	8.1	\$46.5	
C	MERRY LAND & INV	9/9/88	OC-MERY	3	9,779	\$7.21	\$0.20	DEC \$0.93	\$4.88 (2.5)	(5.9)	5.2	4.1	(32.4)	12.9	\$47.7	
A	MGI PROPERTIES #	7/8/88	NY-MGI	1	9,432	\$17.68	\$1.12	NOV \$1.32	\$10.86 (12.1)	(29.8)	8.2	10.3	(38.5)	7.5	\$102.6	
B	MONMOUTH REIT @	1/27/89	OC-MNRTS	3	1,852	\$4.52	\$0.70	SEP \$0.66 D	\$5.86 X	(1.2)	19.5	8.9	11.9	30.0	\$10.9	
B	MTG & RLTY TRUST	8/25/89	NY-MRT	3	11,002	\$17.04	\$1.80	DEC \$1.81	\$12.63 (9.0)	(15.5)	7.0	14.3	(25.9)	10.6	\$138.9	
B	MTG INVTMT PLUS#	8/25/89	AS-MIP	3	9,020	\$8.35	\$0.80 S	SEP \$0.56	\$6.63 3.9	(2.6)	11.8	12.1	(20.7)	6.7	\$59.8	
B	NATIONWIDE HLTH #	12/8/89	NY-NHP	2	11,195	\$19.05	\$1.84 U	SEP \$2.32	\$14.75 X	2.3	27.7	8.4	12.5	(22.6)	12.2	\$165.1
A	NEW PLAN RLTY TR#	10/27/89	NY-NPR	1	34,713	\$8.48	\$1.04	JUL \$1.00	\$16.88 (0.7)	14.5	16.9	8.2	90.0	11.8	\$585.8	
NR	F-NOONEY RLTY TR#		OC-NRTI	1	867	\$16.63	\$0.40 U	DEC \$0.01 S	\$9.00 0.0	8.1	29.0	4.4	(45.9)	1.9	\$7.8	
B	ONE LIBERTY PR#	6/23/89	AS-OLP	2	2,203	\$13.42	\$0.00	JUN \$0.01	\$11.13 1.1	(16.9)	1112.5	0.0	(17.1)	0.1	\$24.5	
A	PENN REIT#	10/27/89	AS-PEI	1	8,207	\$10.00	\$1.72	NOV \$1.67	\$25.63 X	0.9	24.9	15.3	6.7	158.3	\$210.3	
NR	PITTS & WVA RR		AS-PW	2	1,510	\$6.07	\$0.56 S	SEP \$0.55	\$5.68 0.0	7.1	10.7	9.5	(3.2)	9.1	\$8.9	
B	PRESIDENTL RL-A#		AS-POLA	3	479	\$4.01	\$1.66	JUN \$1.87	\$5.36 (23.2)	(48.4)	2.7	30.9	34.0	49.1	\$2.6	
B	PRESIDENTL RL-B#		AS-POLB	3	2,625	\$4.01	\$1.66	JUN \$1.87	\$5.63 (6.3)	(48.1)	2.9	29.5	40.3	49.1	\$15.9	
B	PROPERTY CAPITAL	8/26/88	AS-PCT	3	10,527	\$13.98	\$1.12 S	JAN \$2.48	\$12.83 5.2	(22.9)	5.1	8.9	(9.3)	17.8	\$132.9	
A	PROPERTY TR AMER#	9/29/89	NY-PTIR	1	5,071	\$10.37	\$0.84 S	SEP \$0.76	\$9.36 X	3.6	2.2	12.3	9.0	(9.6)	7.3	\$47.5
B	F-PRU RL CAPITAL #	7/8/88	NY-PRT	1	11,135	\$1.41	\$0.00	---	\$0.00 \$0.83	(23.1)	(50.0)	0.0	0.0	(55.7)	0.0	\$7.0
B	F-PRU RL INCOME #	7/8/88	NY-PRTPR	1	11,135	\$8.00	\$0.66 S	SEP \$0.69	\$5.75 X	0.8	3.0	8.3	12.0	(28.1)	8.6	\$64.0
NR	RAC MTG INVTMT	9/23/88	NY-RMR	4	14,450	\$8.44	\$0.60	DEC \$0.01 D	\$2.86 (8.0)	(39.3)	287.5	20.9	(95.9)	0.1	\$41.5	
C	REALTY REFUND		NY-RRF	4	1,021	\$18.29	\$1.72 S	JAN \$1.72 S	\$14.25 X	0.4	6.5	8.3	12.1	(22.1)	9.4	\$14.5
B	REALTY SOUTH		AS-RSI	3	2,098	\$11.13	\$0.32 D	SEP \$0.17	\$3.63 (38.3)	(58.7)	21.3	8.8	(67.4)	1.5	\$7.8	
NR	REIT OF CALIF#	10/20/89	NY-RCT	1	7,356	\$12.45	\$1.38	SEP \$1.69	\$14.13 (0.9)	(3.1)	8.4	9.8	13.5	13.6	\$103.9	
NR	RESIDENTIAL MTG		AS-RMI	4	4,220	\$7.73	\$0.00	SEP (\$0.07)	\$1.50 (14.3)	(36.6)	0.0	0.0	(80.6)	(0.9)	\$6.3	
NR	F-RESORT INCOME INV	8/25/89	AS-RII	5	4,156	\$11.61	\$1.80	SEP \$1.53	\$9.83 (1.3)	(1.5)	6.3	16.6	(17.1)	13.2	\$40.0	
A	ROCK CTR PROPS #	12/8/89	NY-RCP	5	37,510	\$16.31	\$1.88	DEC \$1.86 U	\$19.63 (3.1)	12.3	10.6	9.8	20.3	11.4	\$736.1	
NR	RPS REALTY TRUST	12/8/89	NY-RPS	5	29,282	\$6.84	\$0.84	SEP (\$0.10)	\$5.88 2.2	9.1	0.0	14.3	(14.1)	(1.5)	\$172.0	
NR	RYMAC MTG INVTMT	9/23/88	AS-RM	4	5,420	\$8.46	\$1.60	SEP \$0.80	\$6.36 (7.3)	1.3	7.2	25.1	(24.6)	10.5	\$34.6	
A	P-SANTA ANITA	4/28/89	NY-SAR	1	10,957	\$10.27	\$2.08 S	DEC \$1.61 U	\$27.75 (2.6)	(3.8)	17.2	7.5	170.2	15.7	\$304.1	
NR	F-SIERA CAP RLY IV#		AS-SZD	1	7,470	\$7.90	\$0.30	JUN \$0.24	\$4.00 (20.0)	(23.6)	16.7	7.5	(49.4)	3.0	\$29.9	
NR	F-SIERA CAP RLY VI#		AS-SZF	1	3,539	\$8.11	\$0.33 U	JUN \$0.23	\$4.83 X	1.2 (2.2)	20.1	7.1	(43.0)	2.8	\$16.3	
NR	F-SIERA RE EQ#3#		OC-BETBS	1	3,032	\$7.46	\$0.25	JUN \$0.48	\$5.00 (4.8)	(19.2)	10.4	5.0	(39.0)	6.4	\$15.2	
NR	F-SIERA RE EQ#4#		OC-BETC	1	4,887	\$6.79	\$0.00	MAR \$0.46	\$3.00 (7.7)	(40.0)	6.1	0.0	(55.8)	7.2	\$14.7	
B	SEIZER PROP INV#	2/24/89	NY-SZ	1	3,713	\$18.63	\$1.56 S	JUN \$1.48	\$13.83 X	0.1	2.1	9.2	11.4	(87.6)	7.9	\$50.6
C	STORAGE EQUITIES	10/14/88	NY-SEQ	1	10,943	\$14.36	\$1.40	SEP \$1.01	\$9.88 (8.1)	(9.0)	9.8	14.2	(31.4)	7.0	\$108.1	
NR	TIS MTG INVTMT	9/23/88	NY-TIS	4	8,100	\$8.94	\$1.28	SEP \$0.94	\$7.00 (6.7)	(3.3)	7.4	18.8	(21.7)	10.5	\$56.7	
C	F-TRAML CROW RE#	7/8/88	NY-TCR	1	9,075	\$9.01	\$0.70 S	DEC \$1.05 D	\$3.63 X	(15.6)	(39.5)	3.5	19.3	(56.8)	11.7	\$32.9
NR	F-TRANSCONTL RLTY #	8/9/88	NY-TCI	3	12,280	\$13.54	\$0.40	MAR (\$1.45)	\$3.13 4.2	(37.5)	0.0	12.8	(76.8)	(10.7)	\$88.4	
A	UNIV HEALTH RLTY#	12/8/89	NY-UHT	2	7,047	\$14.05	\$1.48	SEP \$1.39	\$12.50 (3.8)	15.1	7.9	11.8	(11.0)	11.3	\$88.1	
C	USP RL EST INV#		AS-URT	1	3,880	\$7.74	\$0.60	SEP \$0.26	\$4.86 X	8.6 (25.5)	18.8	12.3	(37.0)	3.4	\$18.9	
A	UTD DOMIN RLTY#	10/27/89	OC-UDRT	1	11,587	\$13.81	\$1.24	SEP \$1.26	\$16.25 (5.1)	(1.6)	12.9	7.6	17.7	9.1	\$188.3	
NR	F-VMS HOTEL INVTMT		AS-VHT	5	9,863	\$8.75	\$0.90	SEP \$0.66	\$1.50 (58.8)	(84.4)	2.2	80.0	(82.9)	7.8	\$14.8	
NR	VMS MTG INVTMT FD	11/24/89	NY-VMG	5	39,709	\$8.80	\$1.20	SEP \$1.07	\$2.13 (60.5)	(60.3)	2.0	56.5	(75.9)	12.2	\$84.4	
NR	VMS S/T INCOME		AS-VST	4	8,918	\$9.20	\$1.04	SEP \$0.99	\$3.13 (41.9)	(45.1)	3.2	33.3	(86.0)	10.8	\$21.6	
NR	VMS STRATGIC LAND		OC-VLANS	5	11,994	\$8.85	\$1.27	SEP \$1.11	\$2.13 (68.0)	(57.6)	1.9	58.8	(76.0)	12.5	\$25.5	
A	WASH RE (WRIT)#	4/21/89	AS-WRE	1	15,434	\$7.35	\$1.08	SEP \$1.18	\$17.38 (1.4)	(3.2)	14.7	6.2	136.4	16.1	\$268.2	
D	WEDGESTONE FINCL	8/11/89	NY-WDG	4	5,795	\$5.60	\$0.00	SEP (\$2.24)	\$1.50 (7.7)	(53.8)	0.0	0.0	(73.6)	(38.4)	\$6.7	
A	WEINGARTEN RLY#	10/20/89	NY-WRI	1	13,986	\$13.82	\$1.88	SEP \$2.44	\$30.50 (1.6)	19.5	12.5	6.2	120.7	17.7	\$426.6	
A	WESTERN INV RE#	10/20/89	AS-WIR	1	15,969	\$14.48	\$1.42 U	DEC \$1.50 U	\$18.00 X	2.7	7.7	12.0	7.9	24.3	10.4	\$287.4

COMPANIES AND MASTER LIMITED PARTNERSHIPS

NR	ABRAMS INDS INC		OC-ABRI	10	2,878	\$5.99	\$0.20	OCT	\$0.54	\$5.25	0.0	38.3	9.7	3.8	(12.4)	9.0	\$15.6
C	LP- AMER RE PARTNERS	1/12/90	NY- ACP	8	14,361	\$17.88	\$2.00	SEP	\$1.82	\$11.63	(2.1)	(13.5)	6.4	17.2	(33.1)	10.5	\$166.9
L	AMERICANA HOTEL		NY- AHR	L	4,920	\$9.54	\$8.00	DEC	(\$0.17) D	\$6.00	(2.0)	1.8	0.0	133.3	(37.1)	(1.8)	\$29.5
C	AMREP CORP	9/15/89	NY- AXR	7	6,816	\$10.25	\$0.00	OCT	\$0.10	\$7.25	13.7	(15.9)	72.5	0.0	(29.3)	1.0	\$48.0
NR	ANGELES CORP		AS- ANG	11	2,737	\$8.20	\$0.00	DEC	(\$0.49) D	\$6.75	(3.6)	20.0	0.0	0.0	(17.7)	(6.0)	\$18.5
E	VJ- BAY FINCL CORP		NY- BAY	8	3,851	\$0.24	\$0.00	SEP	(\$7.47)	\$1.13	(10.0)	(88.8)	0.0	0.0	368.8	(3112.5)	\$4.3
C	LP- BURGER KING INV #	1/12/90	NY- BKP	8	4,635	\$17.29	\$0.72 S	SEP	\$1.78	\$12.75	2.0	0.8	7.2	5.8	(26.3)	10.2	\$59.1
C	CALPROP CORP		AS- CPP	7	4,617	\$8.93	\$0.00	DEC	\$1.08 D	\$6.75	1.9	(11.3)	6.3	0.0	(24.4)	12.1	\$31.2
C	CALTON INC	6/10/88	NY- CN	7	23,788	\$2.81	\$0.00	NOV	(\$0.19)	\$0.89	0.0	(76.1)	0.0	0.0	(75.8)	(6.8)	\$16.4
NR	CENTENNIAL GROUP		AS- CEO	10	26,200	\$5.66	\$0.00	SEP	\$0.10	\$1.00	(27.3)	(65.2)	10.0	0.0	(82.4)	1.9	\$26.2
A	CENTEX CORP	11/10/89	NY- CTX	6	15,072	\$27.74	\$0.40	DEC	\$3.88	\$37.86	13.9	36.1	9.8	1.1	36.5	14.8	\$570.9
C	LP- CF INCOME PTNRS #	1/12/90	NY- CFI	8	13,169	\$6.89	\$1.00	SEP	\$0.82	\$5.63 X	0.0	(10.2)	6.9	17.8	(18.4)	11.9	\$74.1
NR	CHAMPION ENTPRS		AS- CHB	12	7,167	\$4.99	\$0.00	NOV	(\$1.72)	\$2.00	(5.9)	(54.3)	0.0	0.0	(59.9)	(34.3)	\$14.3
C	CHRISTIANA COS		NY- CST	7	5,192	\$5.48	\$0.00	DEC	\$0.92 U	\$9.63	11.6	51.0	18.5	0.0	75.6	9.5	\$50.0
B	CLAYTON HOMES		NY- CNH	12	15,817	\$6.02	\$0.06	DEC	\$1.05	\$8.00	(4.5)	1.6	7.6	0.0	32.9	17.4	\$126.5
E	LP- CMNWLTH MTG AM-A		NY- CMA	9	35,000	(\$0.15)	\$0.00	DEC	(\$0.70) D	\$0.25	14.2	(88.9)	0.0	0.0	0.0	0.0	\$6.8
NR	CONGRESS ST PROPS		OC- CSTP	10	1,075	\$11.91	\$0.00	NOV	(\$1.25)	\$4.00	(5.9)	(39.6)	0.0	0.0	(86.4)	(10.5)	\$4.3
C	CONTL HHS HOLDING		OC- COH	7	3,515	\$7.97	\$0.00	NOV	\$0.80	\$7.25	(6.5)	93.3	9.1	0.0	(9.0)	10.0	\$25.5
L	F- CONTL MTG&EQUITY	3/24/89	OC- CMETS	L	11,486	\$8.89	\$0.46	SEP	\$0.85	\$2.63	(16.0)	(15.7)	0.0	18.3	(70.5)	(9.6)	\$30.2
B	COUNTRYWIDE CRDIT	2/24/89	NY- COR	9	17,164	\$6.71	\$0.88	NOV	\$0.85	\$7.13	(1.7)	18.3	11.0	3.9	6.2	9.7	\$122.3
D	COWINGTON DEVLPMT		OC- COVT	7	13,943	\$0.80	\$0.00	SEP	\$0.43	\$0.81	(13.3)	44.4	1.9	0.0	1.6	53.8	\$11.3
D	DELTONA CORP		NY- DLT	7	5,581	\$4.82	\$0.00	SEP	\$0.04	\$4.50	0.0	(21.7)	112.5	0.0	(6.6)	0.8	\$25.1
NR	LP- EMERALD HOMES LP		NY- EHP	7	5,225	\$5.31	\$0.00	SEP	\$0.27	\$1.89	(11.8)	(70.4)	6.9	0.0	(64.7)	5.1	\$9.8
B	LP- EOK GRN ACRES LP#	1/12/90	NY- EGA	8	10,174	\$7.86	\$1.28	SEP	\$1.30	\$12.38	4.2	9.1	9.5	10.4	57.0	16.5	\$125.9
B	LP- EQUITABLE RE SC #	1/12/90	NY- EDM	8	10,700	\$8.01	\$1.04	JUN	\$0.62	\$7.63	0.0	(3.7)	12.3	13.8	(4.8)	7.7	\$61.6
D	EQUITEC FNCL GP		NY- ERG	11	4,952	\$1.07	\$0.00	SEP	(\$1.65)	\$0.81	8.4	(67.5)	0.0	0.0	(24.0)	(154.2)	\$4.0
C	FAIRFIELD COMM	9/15/89	NY- FCI	7	10,922	\$9.91	\$0.00	SEP	\$0.20	\$4.63	5.7	(28.8)	23.1	0.0	(53.3)	2.0	\$50.5
A	FED NATL MTG	8/11/89	NY- FNM	9	238,591	\$10.19	\$0.56	DEC	\$3.14	\$34.25 X	3.4	77.8	10.9	1.6	239.1	30.8	\$8171.7
NR	FIRST CAROLINA		OC- FCAR	10	686	\$32.63	\$0.50	SEP	\$1.71	\$35.00	1.4	20.3	20.5	1.4	6.6	5.2	\$24.0
B	FLEETWOOD ENTER	9/25/89	NY- FLE	12	22,708	\$17.91	\$0.76	OCT	\$2.56	\$23.13	(5.6)	(14.8)	9.0	3.3	29.1	14.3	\$825.1

RANK	NAME	REVIEW DATE	EXCHANGE/ SYMBOL	GRP	SHARES (OOO)	BOOK VALUE	ANN DIV	-EARNINGS- MON 12MO	PRICE Feb-22	-TOTAL RET. FROM 1/24/90 2/22/89	P/E RATIO	% ANN YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. \$	
B	FOREST CITY-A#	9/15/89	AS- FCEA	8	4,169	\$29.70	\$0.42	JUL \$3.20	\$36.13	(2.9)	(8.2)	11.9	1.1	28.4	10.8	\$158.9
B	FOREST CITY-B#	9/15/89	AS- FCEB	8	3,890	\$29.70	\$0.36	JUL \$3.20	\$38.75	(2.5)	(7.4)	12.1	0.9	30.5	10.8	\$150.7
C	LP- FORUM RET PFD UN#	6/14/89	AS- FFL	8	6,510	\$8.74	\$1.35	SEP \$0.58	\$3.00	0.0	(20.9)	5.2	45.0	(85.7)	6.6	\$19.5
NR	FPA CORP		AS- FPO	7	4,011	\$6.98	\$0.00	DEC (\$1.14) U	\$1.13	12.5	(74.3)	0.0	0.0	(83.9)	(16.3)	\$4.5
C	GENERAL DEVLPMNT	9/15/89	NY- GDV	6	8,462	\$19.58	\$0.00	SEP \$0.42	\$6.13	(26.9)	(63.4)	14.6	0.0	(68.7)	2.1	\$51.8
D	GENERAL HOMES		NY- GH	7	15,009	(\$9.35)	\$0.00	DEC (\$9.92) U	\$0.31	25.2	(44.4)	0.0	0.0	0.0	0.0	\$4.7
B	LP- GOULD INVSTRS LP#	9/29/89	AS- GLP	8	1,075	\$17.99	\$0.00	SEP \$1.77 D	\$48.00	(5.9)	(5.9)	27.1	0.0	166.8	9.8	\$51.6
C	GRUBB & ELLIS CO	6/10/88	NY- GEE	11	16,205	\$5.17	\$0.00	DEC \$0.03 D	\$4.00	0.0	3.2	133.3	0.0	(22.6)	0.8	\$64.8
NR	HAMMOND CO		OC- THCO	9	1,860	\$5.00	\$0.10	DEC \$0.16 U	\$4.00	45.5	26.2	25.0	2.5	(20.0)	3.2	\$6.6
NR	HENLEY PROPS INC	1/26/90	OC- HENP	7	18,912	\$7.10	\$0.00	SEP (\$0.15)	\$7.25	7.4	7.4	0.0	0.0	2.1	(2.1)	\$137.1
L	P- HOTEL INVESTORS	10/27/89	NY- HOT	L	12,132	\$13.08	\$1.00	SEP (\$0.29)	\$4.75	(15.6)	(38.7)	0.0	21.1	(63.7)	(2.2)	\$57.6
B	HOVNANIAN ENTR	11/10/89	AS- HOV	7	20,854	\$6.10	\$0.00	NOV \$0.95	\$7.38	5.4	(13.2)	7.8	0.0	20.9	15.6	\$153.8
NR	INDIANA FNCL INV		OC- IFII	8	913	\$13.55	\$0.00	DEC \$1.17 U	\$7.50	(6.3)	13.2	6.4	0.0	(44.6)	8.6	\$6.8
B	LP- INTERSTATE GEN CO	9/29/89	AS- IGC	8	9,900	\$3.80	\$0.80 S	SEP \$1.19	\$8.38 X	10.6	7.5	7.0	9.6	120.4	31.3	\$82.9
NR	INTL AMER HOMES		OC- HOME	7	7,255	\$4.66	\$0.00	SEP \$0.47	\$0.50	(42.9)	(71.4)	3.5	0.0	(62.4)	10.7	\$12.7
L	JMB REALTY		OC- JMBRS	L	1,423	\$10.54	\$0.35	NOV \$0.33 D	\$7.75	(6.1)	10.0	23.5	4.5	(26.5)	3.1	\$11.0
A	KAUFMAN & BROAD HM	11/10/89	NY- KBH	6	27,604	\$5.52	\$0.30 S	NOV \$2.44	\$11.38 X	(9.3)	1.1	4.7	2.6	106.1	44.2	\$314.0
A	KOGER PROPS#	3/10/89	NY- KOG	8	26,567	\$8.89	\$2.80 S	DEC \$2.77 D	\$22.63	(0.5)	(5.4)	8.2	12.4	154.5	31.2	\$601.1
B	LP- LA QUINTA MTR IN#	1/12/90	NY- LQP	8	3,975	\$15.96	\$2.00 S	SEP \$1.25	\$7.00 X	3.4	(19.1)	5.6	28.6	(56.1)	7.8	\$27.8
C	LANDMARK LAND	9/15/89	AS- LML	10	7,996	\$4.00	\$0.00	SEP \$0.25	\$8.63	(10.4)	(50.8)	34.5	0.0	115.6	6.3	\$69.0
C	LEISURE+TECH	11/24/89	NY- LVX	7	5,433	\$5.11	\$0.00	SEP (\$0.22)	\$2.00	(5.9)	(55.6)	0.0	0.0	(60.9)	(4.3)	\$10.9
A	LENNAR CORP	11/10/89	NY- LEN	6	6,667	\$25.02	\$0.24	NOV \$2.80	\$18.75 X	1.0	(10.6)	6.7	1.3	(25.1)	11.2	\$125.0
NR	LOAN AMER FNCL-B		OC- LAFCB	9	1,987	\$8.18	\$0.00	SEP \$0.54	\$5.25	10.5	10.5	9.7	0.0	(35.8)	6.6	\$10.4
E	VJ- LOMAS FINANCIAL	9/29/89	NY- LFC	9	29,914	(\$7.94)	\$0.00	DEC (\$12.47) D	\$0.63	0.0	(93.5)	0.0	0.0	0.0	0.0	\$18.7
C	MI SCHOTNSTN HMS		OC- MIHO	7	5,920	\$3.80	\$0.00	SEP \$0.78	\$7.00	(6.7)	33.3	9.0	0.0	84.2	20.5	\$41.4
NR	MAJOR REALTY	11/18/88	OC- MAJR	7	6,928	\$3.28	\$0.00	SEP \$0.72	\$6.75	(17.0)	(17.0)	13.5	0.0	197.3	22.0	\$67.5
NR	MAY DEPT STORES		NY- MA	10	138,445	\$19.29	\$1.42 S	OCT \$3.43	\$44.86	(1.9)	29.9	13.1	3.2	132.6	17.8	\$6212.7
NR	MCA INC		NY- MCA	10	73,293	\$24.43	\$0.68	DEC \$2.62 D	\$52.63	(5.8)	10.2	20.1	1.3	115.4	10.7	\$3857.0
C	MDC HOLDINGS	11/18/88	NY- MDC	6	15,890	\$9.58	\$0.00	SEP (\$1.01)	\$1.00	0.0	(66.7)	0.0	0.0	(89.6)	(10.5)	\$15.9
NR	MISSION WEST PR		AS- MSW	7	1,501	\$12.71	\$0.36 S	NOV \$0.10	\$6.75 X	(7.3)	(22.1)	67.5	5.3	(46.9)	0.8	\$10.1
L	MONEY RL EST INV		NY- MYM	L	10,639	\$9.35	\$0.29	NOV \$0.95	\$6.88	(6.8)	(5.2)	7.2	4.2	(26.5)	10.2	\$73.1
L	MSA REALTY CORP #	8/25/89	AS- SSS	L	8,647	\$7.06	\$0.60	JUN \$0.38	\$8.00	(7.2)	22.9	21.1	7.5	13.3	5.4	\$69.2
NR	NATIONAL ENTRPRRS		NY- NEI	12	7,138	\$1.00	\$0.00	SEP (\$1.14)	\$0.81	(7.1)	(35.0)	0.0	0.0	(18.7)	(114.0)	\$5.8
C	LP- NATIONAL REALTY	8/25/89	AS- NLP	8	8,745	(\$3.28)	\$0.00	SEP (\$3.14)	\$4.38	40.0	(50.3)	0.0	0.0	0.0	0.0	\$38.3
L	F- NATL INCOME RLTY	3/24/89	OC- NIRTS	L	11,362	\$9.80	\$0.48	SEP (\$3.19)	\$3.00	(14.3)	(28.0)	0.0	16.0	(69.4)	(32.6)	\$34.1
A	LP- NEWHALL LAND	9/29/89	NY- NHL	10	39,010	\$3.83	\$0.80	DEC \$1.74 U	\$30.13 X	5.0	21.4	17.3	2.7	686.6	45.4	\$1175.2
C	LP- NVR LP	11/10/89	AS- NVR	6	27,169	\$4.87	\$0.60 D	DEC \$1.02 D	\$4.75	(7.3)	(28.5)	4.7	12.6	(2.5)	20.9	\$129.1
B	OAKWOOD HOMES		NY- OH	12	5,204	\$10.12	\$0.08 S	DEC \$0.65 U	\$6.50 X	2.3	(13.7)	10.0	1.2	(35.8)	6.4	\$33.8
B	ORIOLE HOMES-A	5/26/89	AS- OHCA	7	1,917	\$13.86	\$0.85 E	DEC \$1.97	\$8.50 X	5.3	(12.3)	4.3	7.6	(38.7)	14.2	\$16.3
B	ORIOLE HOMES-B	5/26/89	AS- OHCB	7	1,883	\$13.86	\$0.70 E	DEC \$1.97	\$8.38 X	2.6	(13.7)	4.3	8.4	(39.6)	14.2	\$15.8
NR	PACESSETTER HOMES		OC- PACE	7	1,542	\$9.21	\$0.00	SEP \$1.67	\$7.50	(3.2)	114.3	4.5	0.0	(18.6)	18.1	\$11.6
NR	PARKWAY COMPANY		OC- PKWY	10	1,312	\$27.38	\$0.80	DEC (\$0.10) D	\$12.75 X	(4.1)	(16.6)	0.0	6.3	(53.4)	(0.4)	\$16.7
NR	PATTEN CORP		NY- PAT	7	17,075	\$5.19	\$0.00	DEC (\$0.18) D	\$1.75	(17.6)	(49.2)	0.0	0.0	(66.3)	(3.5)	\$29.9
B	PERINI INV PR#	9/15/89	AS- PNV	8	3,879	(\$0.17)	\$0.60	SEP \$1.72	\$13.00 X	(5.2)	(17.6)	7.6	4.6	0.0	0.0	\$50.4
C	PETERS(JM) CO INC	11/10/89	AS- JMP	7	13,980	\$9.23	\$0.00	NOV \$2.15	\$8.25	(9.6)	(7.0)	3.8	0.0	(10.6)	23.3	\$115.3
C	PHM CORP	5/26/89	NY- PHM	6	25,280	\$11.60	\$0.12	SEP \$2.32	\$7.63	(3.2)	(26.2)	3.3	1.6	(34.3)	20.0	\$192.8
C	LP- PRIME MTR INN LP#	1/26/90	NY- PMP	8	4,000	\$19.42	\$2.08	JUN \$2.43	\$9.25	1.4	(31.5)	3.8	22.5	(52.4)	12.5	\$37.0
D	PUNTA GORDA		AS- PGA	7	3,317	(\$2.85)	\$0.00	SEP (\$1.76)	\$0.63	0.0	(70.6)	0.0	0.0	0.0	0.0	\$2.1
NR	READING CO-A	11/25/88	OC- RDGCA	8	4,971	\$11.89	\$0.00	SEP \$6.03	\$13.25	1.9	(1.9)	2.2	0.0	11.4	50.7	\$65.9
C	LP- RED LIONS INNS #	1/26/90	AS- RED	8	4,312	\$17.73	\$2.10	DEC \$2.10 U	\$17.13 X	(0.6)	30.3	8.2	12.3	(3.4)	11.8	\$73.8
NR	ROCKWOOD NATL		PS- RNC	7	9,827	\$2.23	\$0.00	DEC (\$0.58) D	\$0.38	0.0	(76.9)	0.0	0.0	(83.2)	(26.0)	\$3.7
A	ROUSE CO#	9/15/89	OC- ROUS	8	47,967	\$6.14	\$0.56	SEP \$0.82	\$24.25	1.0	(9.8)	29.6	2.3	295.0	13.4	\$1163.2
A	RYLAND GROUP	11/24/89	NY- RYL	6	12,877	\$14.61	\$0.60	DEC \$4.30 U	\$19.25	1.3	(13.2)	4.5	3.1	31.8	29.4	\$247.9
NR	SANTA FE PACIFIC		NY- SFX	10	157,752	\$4.52	\$0.10	DEC \$0.09	\$18.50	(2.6)	(15.5)	205.6	0.5	309.3	2.0	\$2918.4
B	LP- SHOPCO LAURL CTR#	1/12/90	AS- LSC	8	4,860	\$7.77	\$1.12 U	JUN \$1.15	\$9.00	4.3	(0.3)	7.8	12.4	15.8	14.8	\$41.9
B	SKYLINE CORP		NY- SKY	12	11,217	\$13.83	\$0.48	NOV \$1.21	\$14.00	1.8	(15.4)	11.6	3.4	1.2	8.7	\$157.0
E	VJ- SOUTHMARK CORP	7/14/89	NY- SM	10	47,229	(\$26.25)	\$0.00	SEP (\$34.20) D	\$0.14	(9.6)	(90.6)	0.0	0.0	0.0	0.0	\$6.7
D	LP- SOUTHWEST RLTY#	9/29/89	AS- SWL	8	4,087	\$4.68	\$0.00	SEP (\$0.17)	\$1.13	(10.0)	28.6	0.0	0.0	(76.0)	(3.6)	\$4.6
NR	STARRETT HOUSING		AS- SHD	7	6,456	\$5.27	\$0.00	SEP \$0.72	\$6.63	20.5	(1.9)	9.2	0.0	25.7	13.7	\$42.8
A	LP- STD PACIFIC LP	11/10/89	NY- SPF	6	27,073	\$8.59	\$2.35	DEC \$3.87	\$14.50 X	1.6	24.8	3.7	16.2	68.8	45.1	\$392.6
NR	TEJON RANCH CO	11/24/89	AS- TRC	10	12,682	\$2.39	\$0.05	SEP \$0.17	\$43.38	4.5	17.8	255.1	0.1	1714.9	7.1	\$550.1
NR	TIERCO GP INC		OC- TIER	8	2,126	(\$6.89)	\$0.00	SEP (\$13.38)	\$0.38	(57.1)	(90.6)	0.0	0.0	0.0	0.0	\$0.8
C	TOLL BROS	5/26/89	NY- TOL	6	29,920	\$2.54	\$0.00	OCT \$0.44	\$3.38	3.8	(25.0)	7.7	0.0	32.9	17.3	\$101.0
B	LP- UDC-UNIVRSAL DEV	11/24/89	NY- UDC	7	7,186	\$3.38	\$3.30 U	DEC \$4.85 U	\$25.00	5.8	38.0	5.2	13.2	639.6	143.5	\$179.7
NR	UNICORP AMER		AS- UAC	10	17,300	\$5.50	\$0.00	SEP (\$2.71)	\$1.75	(17.6)	(67.1)	0.0	0.0	(66.2)	(49.3)	\$30.3
C	UNION VALLEY CORP		AS- UVV	7	3,560	\$5.08	\$0.00	SEP (\$0.19)	\$3.00	(7.7)	(62.5)	0.0	0.0	(40.9)	(3.7)	\$10.7
C	US HOME CORP	11/10/89	NY- UH	6	44,031	\$4.19	\$0.00	DEC \$0.03 D	\$1.13	(10.0)	(43.8)	37.5	0.0	(73.2)	0.7	\$49.5
NR	LP- US REALTY PTNRS#		OC- USRLZ	8	1,222	\$14.38	\$1.56	SEP \$1.80	\$6.25	0.0	15.7	3.5	25.0	(56.5)	12.5	\$7.6
L	VINLAND PROPERTY		OC- VIPTS	L	5,966	\$2.18	\$0.00	AUG (\$1.28)	\$0.38	0.0	(57.1)	0.0	0.0			

SYMBOLS & ABBREVIATIONS

RANKINGS: A - Strongest in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Buy; B - Above average in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Above average market performer/buy; C - Average but some volatility apparent in EPS/CFS/dividend growth, financial/liquidity position, and open to competitive pressures. Speculative buy; D - Below average with high volatility in EPS/CFS/dividends, financial/liquidity pressures with some illiquidity, and less competitive business position. More speculative buy; E - Sustained losses and cash flow, illiquidity, and possible bankruptcy filing. Most speculative buy. NR = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up. D=Down. S=Unchanged. I=Initial. E=Includes extra. X=Ex Dividend. # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @=Gross Cash Flow. Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. \$=Current appraised value reported see p. 7. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization.

NAME CHANGE: Angell Real Estate Co. to Health Equity Properties Inc.